



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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April 29, 1997

S.A. Landry  
R&S Enterprises  
12602 FM 1484  
Conroe, Texas 77303

Re: Additional Information regarding Processing Facility, R&S Enterprises, Bunnell 22 Project, S/019/040 (UTU-72526), Grand County, Utah

Dear Mr. Landry:

This letter is to document our telephone conversations on April 24, 1997, in response to the additional information requested in our April 17, 1997 letter. The information you provided during our conversation is summarized below. Please contact me if any of this information is incorrect.

*The processing site is located on private property just off highway 128 between mile marker 34 and 35.*

*The processing facility will include an ore stockpile, crusher (to get 100 mesh), a one ton resin-n-pulp system for vat leaching of the ore using sodium bromide. The crushed ore will be leached in the vat using hot water and sodium bromide. The ore tailings will be placed in a tailings pond with a 20-mil plastic liner. Water from the tailings pond will be collected and reused in the leaching process. The pH of the water in the tailings pond will be around 7.5.*

*The process facility is approximately 20 miles from the mine site.*

*The processing facility will disturb approximately 3 acres within a 40 acre lease area.*

Using information from other sources, I believe the approximate location of your processing site would be described as within the western ½ of section 29, T22S, R24E, SLBM. Enclosed is a photocopy of a portion of the Dewey Quadrangle map showing this section 29 area. Please sketch in the location of the facility on this map and return it with your response letter, or provide the appropriate map and location if this is incorrect.

Page 2  
S.A. Landry  
S/019/040  
April 29, 1997

As I mentioned during our phone conversation, you may need approval from the Division of Water Quality for your proposed tailings pond at the process facility. A copy of this letter will be forwarded to their office; however, I suggest you make an effort to contact them for their permitting requirements at (801) 538-6146.

Based on this additional information, the Division has determined that you will need to submit a separate Small Mining Operation Notice of Intention (SMO-NOI) for the processing facility. The reason for requiring a notice is that your proposed facility would be considered a primary processing facility. The reason for a separate SMO-NOI is that your processing facility would not be considered an on-site mining facility due to the distance separating the mine and facility. In order to maintain a small mine status at the processing facility you will need to limit the surface disturbance to five acres or less. You would need to submit a Large Mining Operation Notice of Intention and receive Division approval prior to exceeding the five acre limit.

Enclosed for your use is a copy of our Minerals Rules and a SMO-NOI form. The Division's file number for your processing site will be S/019/042. Please complete the SMO-NOI form and return it to our office along with the site map and any corrections you may have within the next 15 days. Please contact me if you have any questions. Thank you for your cooperation.

Sincerely,



Anthony A. Gallegos  
Senior Reclamation Specialist

jb  
Enclosures: copy of quad map, SMO-NOI form, Minerals Rules  
cc: Kiran Bhayani, DWQ w/copy of quad map  
Brad Palmer, BLM Moab w/copy of quad map  
DOGM file S/019/042  
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